GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:4425
ANSWERED ON:25.04.2005
PROMOTION OF FOOD PROCESSING INDUSTRIES
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Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) the extent of country-wide achievement in Food Processing Industries (FPI) for the last three years;

(b) the extent of investment in the export oriented FPI for the above said period;

(c) whether the Government has launched any programme to indicate the Government's intention of promoting food preservation industry proactively; and

(d) if so, the details thereof?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAI)

(a) & (b): According to an estimate, growth of food processing industries was 7.1% for the last few years. Growth rate during the 10th Plan is estimated to be 7.3% for a GDP growth of 6%. It is reported that as on the last reporting Friday of March in 2003 the outstanding advances to food and agro based processing sector units including export-oriented FPI units by all scheduled commercial banks was Rs. 4726 crore. Besides, during the last three years an amount of Rs. 213.51 crore was released by the Ministry of Food Processing Industries for projects under major schemes to facilitate promotion of food processing industries in the country.

(c) & (d): Plan schemes have already been formulated and are being implemented to provide financial assistance for establishment and modernization of food processing units, creation of infrastructure, support for R&D, human resource development besides other promotional measures to encourage development of food processing industries. The rate of assistance for establishment / modernization of food processing units is 25% of the cost of plant & machinery and technical civil works subject to maximum of Rs. 50 lakh in general areas and 33.33% of the project cost subject to maximum of Rs. 75 lakh in difficult areas. The other major scheme of food parks provides for assistance up to Rs. 4.00 crore, for specified common facilities at the rate of 25% and 33.33% of project cost in the general and difficult areas respectively. So far, financial assistance has been sanctioned for establishment of 49 food parks of which 20 food parks were approved during the last three years.